FEDERAL ENERGY REGULATORY COMMISSION



WASHINGTON, D.C. 20426

NEWS RELEASE FOR IMMEDIATE RELEASE

NEWS MEDIA CONTACT: Hedley Burrell

(202) 208-0680

March 17, 2000

DIVERSE INDUSTRY GROUPS AGREE ON NEXT RTO STEPS AT NORTHEAST COMMISSION WORKSHOP

Diverse electric industry constituencies in the Northeast yesterday agreed on the next steps to move ahead on collaborative efforts to resolve regional transmission organization (RTO) coordination, or "seams," issues in the Northeast. They did so on the second day of a workshop arranged by the Federal Energy Regulatory Commission.

The collaborative efforts would work toward developing a broad, Northeastern electric market, including at a minimum New England, New York and the Pennsylvania-New Jersey-Maryland (PJM) Independent System Operators (ISOs).

Following two days of intensive and constructive discussion among existing ISOs, investor-owned utilities, marketers, generators, state commissions, consumer and environmental groups, public power and cooperatives, and Canadian representatives, participants in FERC's Philadelphia collaborative workshop identified key issues for future resolution.

The three Northeast ISOs, supported by other constituencies including power marketers, proposed to open the existing interregional coordination process to all interested stakeholders and to address issues identified in the workshop. This process is the outgrowth of an interregional memorandum of understanding (MOU) among ISO New England, ISO New York, and PJM Interconnection, that was entered into in August 1999.

R-00-21 –more--

Following the MOU, several interregional working subgroups were formed, including ones to address interregional coordination issues involving transmission operations, business practices, planning and expansion, and other issues.

Participation in these working groups will be opened to broad stakeholder involvement and participants will have input in organizing the process to be used.

The next meeting of the interregional business practices group is scheduled for Wilmington, Delaware, on March 30 and will launch the new open process.

The ISOs suggested that each interregional working group meet at four- to six-week intervals in the future and that a broad, interregional symposium be held in the fall of 2000 to take stock of the status of collaborative efforts and further steps. It was made clear that no RTO proposals for the Northeast-Mid-Atlantic areas are off the table for future discussion and there is no predetermined organizational form. Marketers endorsed the proposal of a new MOU open process going forward.

Information about Northeastern regional collaboration will be posted on the web site at www.isomou.com as it develops.

FERC Office of Markets, Tariffs and Rates Director Daniel Larcamp, who chaired one of the breakout discussions in Philadelphia, commented: "This workshop has been a real success in terms of constructive dialogue and participants recognizing some sense of urgency in moving this process forward and the need to listen to one another over the next nine months as they develop their RTO filings for January 15, 2001."

The Commission completed its first regional workshop in Cincinnati on March 1 and 2.

Future dates and locations for workshops are:

March 23 - 24 Las Vegas, Nevada March 29 - 30 Kansas City, Missouri April 6 - 7 Atlanta, Georgia